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DEPARTMENT OF STATE

SPECIAL ASSISTANT TO THE SECRETARY

July 18, 1960

STAT



These are the two papers I discussed  
with you---the ones Mr. Lacy promised to send  
Mr. Dulles.

*Lillian Royston*  
Lillian Royston

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OFF-THE-RECORD

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ADDRESS BY WILLIAM S. B. LACY TO THE KIWANIS CLUB, MAYFLOWER HOTEL,  
WASHINGTON, D. C., THURSDAY, JULY 14, 1960

Mr. President, friends:

A few years ago there were available in men's clothing stores topcoats which were faced on one side with tweed, and on the other with a water-proof material, in case of a storm. I do not know whether this item is still active in men's haberdashery, but in foreign policy its equivalent is in continuing demand. Sound policy must be tailored to cover the situation whether the international climate of the moment is fair or foul.

Of course the manufacturers of two-purpose topcoats, in line with Mark Twain's observation, did not try to do anything to change the weather. They merely equipped the customer with it, whatever it was. By contrast the tailors of our policy must seek to create a product which will not merely

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protect us in the event the world climate is inclement, but one which will, over time, help the sun to shine, and the warm breezes to blow again.

When I was asked by Cory Lockwood to talk to you today, he suggested I touch on both subjects; what the world climate is and may be, and some aspects of what we are doing about it, or trying to. In considering what to say about the first subject I gain great sympathy for the Washington weather man. It is not hard to give you a description of the meteorological phenomena we find in the surrounding area, or to provide a vivid account of the last thunderstorm. But to tell you whether tomorrow you should be wearing your slicker or your seersucker; that is what is known as putting one's neck out.

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The best I can do is to tell you frankly what things are clear to us and what things are not, and leave any pin-point forecasting for you to undertake on a free enterprise or do-it-yourself basis.

The causes of the recent change in the world climate are not entirely clear to us and may never be. The timing and basis of Kremlin decisions are not always advertised.

What the outcome at Paris did make clear, however, is perhaps as important as what it did not. ~~It reminded us~~  
~~precisely how unpredictable Soviet policy and leadership can~~  
~~be.~~ It dramatized the continuing hostility and threat of Communist ambition. Thus it underlined the need not only for a policy but for an attitude on the part of the American people which can meet with honeyed words or harsh ones and, to borrow Kipling's phrase, "treat these two impostors just the same."

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Furthermore, despite the change of tone and manner on the part of the Soviet leaders---even though they torpedoed the Summit conference and then walked out of the ten-nation disarmament talks---it is most important to note that there has been no indication so far of a basic alteration of their policy. This situation could change at any time, for as I say, decisions within the Kremlin can be taken without public announcement. But so long as it continues it would appear that the main lines of United States policy remain sound and must be pursued with continuing vigor.

These main lines are three:

First and indispensably, we keep our strength, holding it steady for the long pull. This strength is not only military, it is political. Our unity of policy and action with the other free nations is as important as our military force for deterring probes and adventures.

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Not only is our strength political, it is also psychological and spiritual; and this form of strength is at least equal to the military and political in its contribution. Our determination to defend ourselves and our friends, our dedication to our ideals and values---not less than our missiles and alliances---serves to deter aggressive action. This determination and dedication must be demonstrated, furthermore, not only at official levels, but among the people as well. A clear indication of a broad and firm national will is an element in the world situation that no one will ignore.

The second main line of our policy is to move forward strongly with programs for developing world conditions in which human freedom can flourish and national independence remain secure.



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~~The communists are adept at fishing in troubled waters~~  
~~and the motivation to do it increases as the more overt for~~  
~~of aggression becomes too dangerous~~ In the past we have  
Communist  
resisted/their efforts at aggression, direct or indirect, and  
can be counted on to do so again as the occasion might demand.  
But better than resisting such efforts when they are made is  
to remove the opportunity for making them at all. Through  
technical, economic and military assistance we seek to help  
the developing nations increase their strength and stability,  
and thereby safeguard their independence against internal or  
external threat. Then it is our hope the best-laid plots will  
be powerless against them, and they will be free to develop  
their own national destiny their own way.

The third main line of our policy is to continue as we  
can businesslike dealings with the Soviet leaders on outstanding

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issues, and to seek to widen and improve contacts between our own and the Soviet peoples.

The current increase in tensions does not make easier the continuation, much less the widening, of negotiations or other contacts with the Soviet Union. But neither does it automatically preclude them, and it makes all the more important whatever degree of communication can be maintained.

So American policy continues, as in the past, to be made up of generous portions of strength and determination, progress and development, and continuing patience, reasonableness, and willingness to negotiate and communicate. We believe such a policy will see us through stormy days. We believe that, pursued firmly and continuously, it can bring a lasting change for the better in the climate of the world.

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Now a few words about how the East-West Exchange Program fits into this broad framework of policy:

Continued communication with the Soviet Bloc, where it is possible, remains a central element of our policy. The program of exchange, in turn, remains central to the effort for continued communication.

The East-West exchange program means a great deal to me, both personally and professionally, because I was in on its beginnings, and have been close to it since. I had the honor and the headache of heading the delegation that negotiated the original Agreement under which the program began, and then took charge of administering the exchanges.

I don't know whether this relationship to the program is sufficient to establish paternity, but certainly it gives me a more than casual interest in the welfare of the offspring.

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And in this connection it is appropriate to note that recently there has been a certain amount of frank questioning among my friends as to the program's legitimacy. Nobody has come right out and called it a bastard program, but a number of times after the collapse of the Summit meeting one of my Virginia neighbors has asked me, "Now aren't you sorry you ever got mixed up with those so-and-so's?"

The answer is no. Not sorry at all. Glad in fact, because as I have indicated the Summit aftermath makes all the more necessary the preservation and use of any remaining channel of communication. As a very high official of this government remarked not long ago in a confidential meeting, "If the exchange program is a good thing in bad times, it is a better thing when times get worse."

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Since there have been questions about the program's legitimacy, however, it is not surprising that there has also been some confusion about its name. There is a tendency to refer to it as a "cultural" exchange program.

It is true that the program includes cultural events, and some of them, such as the Moiseyev Ballet, the triumph of Van Cliburn and the recent success in Moscow of "My Fair Lady," have received vast publicity. But the fact is that technical, scientific, and industrial exchanges, not to mention visits between political figures, far outweigh, both in number and importance, the purely cultural.

Here are some of the exchanges which took place last month: Economists, macromolecular chemists, city planners, high pressure specialists (I do not believe these were salesmen), and experts in the fields of food processing,

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agricultural information, grain handling, technical education, automation, nuclear chemistry, mathematical statistics, chemical fertilizers and proteins.

In the next three months there should be exchanges of specialists in the cement industry, petroleum, patents, controlled thermonuclear reactions, retail and wholesale trade, nuclear reactions at low energy, shipping, high energy physics, textiles, radiation chemistry, inland waterways, microwave relay communications, food processing, soils, combustion, nutrition and the study of cancer.

In addition there are the Junior chess matches, the Junior ping-pong matches, some orientalists, some students, some librarians and an exchange of radio and TV delegations. But I can scarcely believe this converts the program into a "cultural" exchange.

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Now what, in specific terms, do we hope to accomplish through all these exchanges? We have four goals:

First we hope by increasing the knowledge <sup>on the part of</sup> ~~about~~ the American people of Communist methods and purposes to reduce the danger that they might at some point be taken in by soft words and friendly smiles, and forget the true nature of the power we must contend with.

That danger was greater in April than it was in June, but it is not a danger we can afford to forget at any time.

Second we hope by increasing the knowledge <sup>on the part of</sup> ~~of~~ the Russian people and their leadership of the strength and determination of America to reduce the risk that they might one day miscalculate and take action which would pitch us all into war.

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Third we hope by gradual human contact in time to develop sufficient trust and confidence to make possible agreements resolving broader issues, and reducing the burden and risk of the arms race.

Fourth, we hope eventually---and we know it can only be extremely slow and gradual---that the Soviet leadership will get rid of its grandiose ambitions and illusions, and settle down to living as a good citizen in the community of nations.

The fact that this last will be a terribly slow process does not mean that it is not a necessary and important one.

The chance that the American people could miscalculate either the intentions or the capability of the Soviet Union was dramatized rather forcefully by the launching of the first Sputnik. You will remember the wave of shock and surprise that swept this country. We had plenty of technical data on the



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accomplishments of Soviet science, but as a people were not fully aware of the meaning of Soviet progress in the missile field.

Since that time the American people have learned a great deal---a tremendous amount---about the Soviet Union, technological, political, and human, much of it through the exchange program. We saw Mikoyan come to see us with his affability, his wittiness, his bland superciliousness, and his almost arrogant faith that his cause was right and that it would inevitably prevail. We saw that he came here prepared to yield nothing, and expecting that he would hoodwink us in giving him whatever he wanted. We also saw the political skill and the dedication to Communism of Nikita Khrushchev, and the flashes of his anger which foreshadowed his later performance in Paris.

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In the technological-economic field a top-level delegation, chosen by the industry itself and headed by my friend Ed Ryerson of Inland Steel, made a very extensive swing through the iron and steel manufacturing plants of the Soviet Union. Their findings were, to be frank, rather sobering, and therefore all the more worth having. Russell Mahaney, Vice President of the St. Regis Paper Company, took a distinguished delegation of experts in the field of plastics to the Soviet Union for thirty days, and they found that in this field also the Soviet managers and engineers there have displayed great ingenuity in producing everything from ships and truck bodies to shells and warheads out of plastic.

Findings in other fields have been comparable, and today we as a people are much better informed than we were two years ago about the attitudes and capabilities of the Soviet nation.

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As to the chance of Russian miscalculation, there is some grounds for believing that Premier Khrushchev precipitated the Berlin Crisis in 1958 at least in part because he miscalculated the strength and unity of the Western Allies. As recently as Paris it appears that he again miscalculated our unity, in his effort to divide us there.

When an American businessman visited Khrushchev a few months ago his first words were, "You do not look like a capitalist at all. You are not fat." When Deputy Premier Mikoyan came to see us the first thing he looked for was a depression, and made a number of inquiries before finally accepting that we were not hiding one somewhere.

So you see the danger: that they will view us through Marxian-colored glasses, dismiss us as decadent in accordance

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with the century-old gospel of Communism, instead of facing the facts as they are today.

There is no doubt that their visits among us have made a considerable impression on the Soviet visitors, and certainly there has been an impact at lower levels. Some time back an artist of great stature returned from a visit to the United States and addressed his colleagues. He said he saw no breadlines, strikes or gangsters. He said he saw only a peace-loving people, and symphonies by the dozens, ~~greater~~ ~~than any others in the world.~~

This individual passed through a certain eclipse, but he is ~~shortly afterwards to say the least that that was~~ ~~needed as a sort of foundation for the rest of his career, but he is~~ ~~back now, and restored to favor, despite the unorthodox things~~ ~~he saw.~~

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The way in which exchange can promote agreement on other issues is indicated by the progress that has been made in the negotiation of the exchange agreement itself. The negotiation of the first agreement was protracted, arduous and marked by Russian suspicion at every stage. The second <sup>was less difficult to reach.</sup> agreement/~~xxxxxxxx~~. The way had been pioneered. Their suspicions of our good faith had been proven groundless, and any hope on their part that we would give something for nothing had long since been punctured.

Civilization is very much a matter of habit. If people have never learned to make agreements and keep them, they have trouble making them and keeping them. It is our purpose to give them all the practice possible.

It will be a long time before the way is paved for resolution of the hardest issues, but every forward step counts.

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Now as to our hope that the Soviet leaders will eventually get rid of their vast ambitions and ruthless methods, and settle down as good citizens of the world:

In the first place, we have to recognize that this is a very long-range hope. The Summit made that clear. Our children are more likely to realize that hope than any of us here. In the meantime we keep our guard high.

In the second place we must accept that our ability to influence trends within the Soviet Union is sharply limited. The development of Soviet Russia is a historic movement of vast proportions, and in very large measure it is a self-generating movement. Barring a major external event, like a war, it is the internal forces which chiefly govern their development.

But in the third place, we know that in the Soviet Union today there is a considerable evolution toward greater individual

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freedom, and there is pressure for a larger diversion of industrial production to consumer goods. There is every sign the Soviet Government at present has these two trends firmly under control. But they are healthy trends, and once they are under way are difficult to reverse. Personal liberty and creature comforts are habit-forming, and such habits eventually limit the freedom of rulers to command national resources for aggressive purposes and maintain a political minority in power.

It is significant, in this regard, that as I noted, underlying Soviet foreign policy has, so far, remained unchanged, despite the shift in tone. Soviet policy, domestic and foreign, like the policy of any country, is based upon and largely governed by the overall trends in their development. No one, not even Khrushchev himself, can ignore the limitations and imperatives they create.

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But in the fourth place, although United States actions and policies have only a limited influence over events within the Soviet Union, still they can have an influence. Undoubtedly our most important influence continues to be to limit their opportunities for external adventure, through our own continued strength and resolution, and through sound political and economic policies toward the rest of the world.

In this case, you see, it is within our power to govern or influence to a degree the limitations and imperatives of their lives---insuring a heavy penalty for aggression, let us say, or restricting the opportunities for fishing in troubled waters---and neither Khrushchev nor anyone else can ignore the facts of life we help create.

It requires skillful diplomacy, astute political leadership, and continuing maintenance of military strength and world-wide



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rates of economic growth, to seal off opportunities for aggression, direct or indirect, and to remove even the illusion of opportunities, from the Russians. But it can be done, and the sooner and better we do it, and the clearer we make it that it has been done, the sooner their policy and plans must take account of the situation.

And within this frame of stability and strength, communication between the two sides can contribute gradually and slightly to trends within the Soviet Union toward greater freedom and increased attention to the needs of the people, and away from the impulse to expansionism and armaments.

There is today in the middle ranges of Soviet society a greater ferment of new ideas than at any time since the early nineteen thirties. As I say, the principal origins of this ferment are internal. People are better educated today to

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meet the needs of advanced technology, and educated people think. And the government itself has within limits encouraged liberalization, in order to lift the weight of Stalinism from national productivity. But contact with outside ideas and methods has certainly contributed.

The center of the ferment, the wellspring of the forces of change, is the new elite---the engineers, journalists, doctors, artists---who may or may not be members of the party. The pressure of their demands and feelings is making itself felt on Nikita Khrushchev, and generating not a revolution but a steady evolution. ~~Standing in the way of this evolution are the old Stalinists.~~ The question now is which influence will prove more powerful. The question is which influence we want to strengthen.

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Communism, quite aside, the Russian people have been greatly celebrated for centuries for their courage, both physical, and metaphysical. It is the legacy of Dostoevski, Tolstoi and Boris Pasternak. But the people who bear the testament of humanity in that part of the world must receive from us what help we can give, however little that is.

Would any of you here have not been proud to shake the hand of Boris Pasternak? Would anyone here not have chosen to help him?

So that is the case as I see it in favor of East-West exchange. It can help to prevent tragic miscalculation on the Soviet side, and complacency or miscalculation on our side. It can increase the chance of resolving issues. And in the meantime it contributes, if only marginally, to healthy long-term trends---to the cause of humanity---within the Soviet Union.

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Now what is the case against it? What are the dangers of exchange?

The first question that comes to everybody's lips is "What about foreign spies? Are we opening our doors to espionage?"

Well, you must remember that their society is a closed one, while ours is an open one. Thus we have a tremendous amount to learn about them, whereas they already know a great deal about us. Furthermore, the Agreement is based completely on reciprocity. Whatever delegation we allow them to send, they must allow us to send a similar one. If their delegation wants to go to Detroit, fine, providing ours gets to go to Novosibersk. And before ours goes to Novosibersk it is agreed in writing that they will be met by <sup>the appropriate official,</sup> ~~Nicholas Bushovskiy~~, and he will show them the production of aluminum extrusions. ~~Furthermore,~~

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~~before the delegation departs for Novosibirsk they come to~~  
~~Washington and are briefed by well-informed specialists on~~  
~~what to look for~~

Believe me we have been more in the dark about what goes on in Novosibirsk than they have been about Detroit, and through the program of exchange we are learning more than we ever knew before.

Another question that can be asked is whether, by giving the Russians easier access to our intellectual life and our technology, we are not helping the pace of their economic growth, with the increased potential for mischief this provides.

This question is particularly relevant at a time of intensified competition.

But let it be remembered that the Soviet Union achieved the status of the world's second greatest industrial power during

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the era of the Stalinist blackout, so we can be sure that without increased contact with the outside their growth would continue, but at the same time the possibility of miscalculation either way would remain great or increase, and healthy trends within the Soviet Union would be retarded.

Whatever we do is a gamble and has to be faced as such. There are no sure things. It seems to us that the decreased risk of miscalculation that exchange produces, and the increased chance that Russia will some day become a better citizen among the nations, is worth whatever marginal contribution to their progress exchange might make.

We have to consider where the main chance lies. The main chance for America is to maintain a sufficient growth rate of our own, and to encourage to a maximum the unity, stability and progress of the other free nations. If we will do that

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the rate of Soviet progress will not make much difference to the outcome, which will be favorable. If we fail to do that, their progress is already much too fast.

The third question which can be asked about a program of exchange is whether in time it would not tend to encourage on the American side the very form of miscalculation it was intended to reduce, the assumption that the Russians are now good guys, and we can afford to relax.

Mr. Khrushchev has told us a number of times since the Paris encounter that he has not abandoned his policy of "peaceful coexistence". This is good news to the extent that any alternative under these circumstances would probably be worse, but this does not mean that the Soviet idea of peaceful coexistence is a product we want to buy. Coexistence in Marxist terms does not mean two sides peacefully minding their

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own business in the world. Rather it means for us to hold  
still while they take over. ~~The Marxist dialectic has not~~  
~~been able to patiently wait for doing it right away, but~~  
~~given that it will find a way, and in the meantime we must~~  
~~sit passively waiting for the end of the danger~~

It should be borne in mind that the concept of  
"coexistence" is a product of an ideological dilemma. The  
dialectic bogged down on account of free world toughness. The  
"inevitable" war between the systems was no longer feasible  
because of the destructiveness of modern weapons. So what do  
Comrades Bolsheviks do? They laboriously create a new and  
rather clumsy rationalization which permits them to live  
with the facts of contemporary life. But then they turn  
around and try to sell it to the world as the best thing since  
the invention of the wheel, a sugar-coated, tranquilizing



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global cure-all that will induce a sort of pink-tinted nirvana. And hungry as the world is for peace, the new Soviet miracle drug finds some careless buyers.

But the danger in "coexistence" is not the language itself---it is only a word, and not a very well-coined one. The danger is our response to it, or the lack thereof. If the Soviet ideologists for their internal purposes need such a word, such a concept, let them have it. That is nothing to us. To the extent that it indicates they are coming to terms with reality, it is a plus.

What we must not do, however, is to yield the stage to them. We must not permit them to convince our allies or the neutralist nations or our own people that a rather fuzzy and essentially negative coinage is the key to the future.

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I suppose you know the term Stalin originally used for peaceful coexistence, when translated literally into English, meant "peaceful cohabitation."

That was the Marxian version of the Freudian slip.

Stalin told us much more than he intended about just what fate he had in mind for us.

But even if the term had been coined with honorable intent it would not be satisfactory from our view. Peace on minimum terms means any condition short of combat, including death or slavery.

Quite properly there has been a good deal of discussion recently of the question of national purpose. It is very necessary to know whether in fact this nation does have some purpose beyond sitting around, sucking our thumbs and existing.

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It is not surprising that these discussions return frequently to the phrase "life, liberty and the pursuit of happiness." That, not merely existing, is the key to what we are here for.

As for peace, the same is true. We believe in peace. We are working for peace. But the peace we want is not a passive but an active state. It is not a condition but a creation. It can only be built by a policy of strength and resolution, development and progress, and patience, reasonableness and the willingness to negotiate.

The danger that we might one day relax and become overconfident is not the result of a program of East-West exchange. It is a product of this particular stage of history, of which exchange also is a product. If tensions can again be reduced

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there is always the danger that we might be taken in by the  
coexistence line and relax. But if we do not diminish the  
current tensions, there is the danger that we will blow  
each other up.

So the only defense is a good offense. Rather than  
brooding about the dangers of this age we must seize its  
opportunities to create the kind of world we want. If we will  
do that, we can hammer out an honorable, durable peace---I  
am sure of it---a peace which is not a destination, an end  
in itself, but a frame, a climate, a rare opportunity for man  
to build for themselves a better, richer, freer life.